BREAKS-IN-SERVICE
CAN PENSION CREDIT BE LOST OR CANCELED?

You can lose Pension Credits if you are not vested and you have a “Permanent Break-in-Service,” because you have not worked for enough Hours of Service (or if you don’t work in Covered Employment at all) for the periods discussed below. The Break-in-Service rules are slightly different, depending on when the Break in Service occurred.

AFTER JANUARY 1, 1997

A Permanent Break-in-Service occurs if you have less than five (5) Pension Credits and have five (5) consecutive One-Year Breaks-in-Service. You have a “One-Year Break-in-Service” if you fail to work more than 500 Hours of Service during a calendar year.

FOR THE PERIOD FROM JANUARY 1, 1992, THROUGH DECEMBER 31, 1996

Hours of Service

A Permanent Break-in-Service occurred during this period if:

- You had five or less Pension Credits, and had five or more consecutive One-Year Breaks-in-Service; or
- You had at least six but less than ten Pension Credits, and the number of your consecutive One-Year Breaks-in-Service equaled or exceeded the number of your Pension Credits.

BEFORE JANUARY 1, 1992

You have a Permanent Break-in-Service with regard to Past Service if there is a calendar year prior to 1992 in which you failed to work at least 500 hours in Covered Employment. A Permanent Break-in-Past-Service means all Past Service Credits for years prior to the year you worked less than 500 hours in Covered Employment are lost.

EXCEPTIONS TO BREAK-IN-SERVICE RULES

Under certain circumstances, time that you are not working in Covered Employment will not count toward a One-Year Break-in-Service. This means that you will not have a Break-in-Service for any year that you did not work 501 Hours in Covered Employment with a Contributing Employer if it was because of the following:

- Family and Medical Leave Act Absences: If you are absent from Covered Employment by reason of (1) pregnancy, (2) birth of a child, (3) adoption of a child, (4) care for a child immediately after birth or adoption, or (5) any other reason recognized under the Family and Medical Leave Act of 1993, any Hours in Covered Employment that would normally have been credited to you (but for such absence) shall be credited, up to a maximum of 501 Hours for each such event.
- Qualified Military Service. Active service in the Armed Forces of the United States.
- Other Home Care Industry Employment. Employment after December 31, 1991, by an agency under the jurisdiction of another union affiliated with the Home Care Industry.

Except for time served in the military, you do not earn Pension Credit for the time you are in one of these categories. Your reduction in Hours due to these events will not cause a Break-in-Service.
WHAT HAPPENS IF I INCUR A BREAK-IN-SERVICE BEFORE I REACH RETIREMENT AGE?

If you have a Permanent Break-in-Service before you are vested, then you will lose your Pension Credits earned before the Permanent Break-in-Service. If you do not have a Permanent Break-in-Service, you may be eligible for a benefit and the amount of the benefit will be based on the terms of the Plan in effect on the date you last worked in Covered Employment.

WHAT HAPPENS IF I AM VESTED, INCUR A BREAK-IN-SERVICE, EARN ADDITIONAL PENSION CREDIT AND THEN RETIRE?

If you experience a Break-in-Service that is not permanent and then return to Covered Employment and earn additional Pension Credits before you retire, the amount of your pension benefit will be calculated at the rate in effect when you later retire or terminate your employment.

If you have vested in a pension and then experience a Permanent Break-in-Service, you will not lose the Pension Credits you earned prior to the Permanent Break-in-Service when you retire.